

0100922006

SEYFARTH, SHAW, FAIRWEATHER & GERALDSON
ATTORNEYS AT LAW

(2)

815 CONNECTICUT AVENUE, N.W.
WASHINGTON, D.C. 20006-4004
(202) 463-2400
FAX (202) 828-5393

ONE CENTURY PLAZA - SUITE 3300
2029 CENTURY PARK EAST
LOS ANGELES, CA 90067-3063
(310) 277-7200
FAX (310) 201-5219

900 THIRD AVENUE
NEW YORK, NY 10022-4728
(212) 715-9000
FAX (212) 752-3116

101 CALIFORNIA STREET - SUITE 2900
SAN FRANCISCO, CA 94111-5858
(415) 397-8833
FAX (415) 397-8548

455 CAPITOL MALL - SUITE 302
SACRAMENTO, CA 95814-4308
(916) 558-4828
FAX (916) 558-4839

55 EAST MONROE STREET - SUITE 4200
CHICAGO, ILLINOIS 60603-5803
(312) 346-8000
FAX (312) 269-8869

WRITER'S DIRECT DIAL

(312) 269-8886

INTERNATIONAL

AVENUE LOUISE 500, BOITE 8
1050 BRUSSELS, BELGIUM
TELEPHONE (32) (2) 647.60.25
FAX (32) (2) 640.70.71

SEYFARTH, SHAW & WONG
80 RAFFLES PLACE
#59-01 UOB PLAZA
SINGAPORE 0104
(65) 532-4588
FAX (65) 532 5711
(65) 532 5722

AFFILIATE FIRMS

MATRAY, MATRAY & HALLET
BRUSSELS AND LIEGE, BELGIUM
COLOGNE, GERMANY

January 5, 1996

VIA FEDERAL EXPRESS

Secretary
Surface Transportation Board
12th and Constitution
Room 2311
Washington, DC 20423

Attention: Janice Fort DOCUMENTS FOR RECORDATION

Re: Interail, Inc. / Harris Bank Winnetka N.A.

Dear Secretary:

I am an attorney representing a party to the enclosed document. I have enclosed one original of each of the documents described below, and two certified copies, to be recorded pursuant to Section 11301 of Title 49 of the United States Code and the regulations adopted thereto.

The documents are:

1. A Memorandum of Lease, a primary document, dated as of September 25, 1995; and
2. An Assignment of Lease, a secondary document, dated as of November 1, 1995.

The names and addresses of the parties to the enclosed documents are as follows:

Lessor: INTERAIL, INC.
One Foxfield Square, Suite 200
St. Charles, Illinois 60174

Surface Transportation Board

Page 2

January 5, 1996

Lessee: INDIANA HARBOR BELT RAILROAD
2721 161st Street
Hammond, Indiana 46323

Assignee: HARRIS BANK WINNETKA N.A.
520 Green Bay Road
Winnetka, Illinois 60093

A description of the equipment covered by the foregoing document follows:

Nineteen (19) bulkhead flat cars formerly bearing
"BCOL" or "BCIT" reporting marks and
currently bearing "IHB" reporting marks and
numbered as provided on the attached Exhibit A.

A fee of \$42.00 is enclosed. Please return any extra copies not needed by the Commission for recordation and the enclosed copy of this letter, each stamped with your recordation number to **Richard Demarest Yant., Seyfarth, Shaw, Fairweather & Geraldson, 55 East Monroe Street, Suite 4200, Chicago, Illinois 60603.**

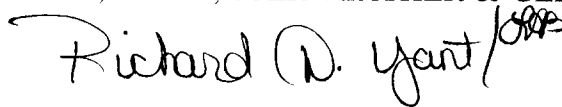
A short summary of the documents to appear in the index follows:

Memorandum of Lease dated as of September 25, 1995,
between Interail, Inc., St. Charles, Illinois, and Indiana Harbor
Belt Railroad, Hammond, Indiana, and covering 19 bulkhead
flat cars.

Security Agreement dated as of November 1, 1995, by Interail,
Inc., St. Charles, Illinois, in favor of Harris Bank Winnetka
N.A., Winnetka, Illinois, and covering 19 bulkhead flat cars.

Yours very truly,
SEYFARTH, SHAW, FAIRWEATHER & GERALDSON

By



Richard Demarest Yant

cc: Lita K. Jimenez
Donald Leighton

Enclosures

19884-8
16 PM

**MEMORANDUM
OF
LEASE AGREEMENT**

THIS MEMORANDUM OF LEASE AGREEMENT is intended to evidence the Lease Agreement dated as of September 25, 1995 (the "Lease"), between Interail, Inc., a Kansas corporation (the "Lessor"), having an address at One Foxfield Square, Suite 200, St. Charles, Illinois 60174, and Indiana Harbor Belt Railroad Company, an Indiana corporation (the "Lessee"), having an address at 2721 161st Street, Hammond, Indiana 46323-1099, for the purpose of satisfying the requirements of recordation with the Interstate Commerce Commission under 49 USC §11303. The Lessor is the owner of the bulkhead flat cars, more fully described in Exhibit A hereto (the "Units"). The Lessee leased all of the Units at the rentals and upon the terms and conditions provided in the Lease.


IN WITNESS WHEREOF, Lessor and Lessee have each caused this Memorandum of Master Railcar Lease Agreement to be duly executed as of the date first above written, and the undersigned signatories each hereby declare pursuant to 28 U.S.C. Section 1746 under penalty of perjury that the foregoing is a true and correct document and was executed on the date indicated below its signature.

LESSOR:

INTERAIL, INC.

By:

Its:


EXECUTIVE VICE PRESIDENT

LESSEE:

INDIANA HARBOR BELT RAILROAD COMPANY

By:

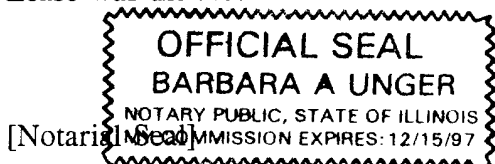
Its:


General Manager

STATE OF Illinois
COUNTY OF Kane

SS:

On this 28th day of November, 1995, before me personally appeared Richard E. Mayers, to me personally known, who, being by me duly sworn, says that he is E.D.P. of INTERAIL, INC., and that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its Board of Directors. Further, he acknowledged that the execution of the foregoing Memorandum of Lease was the free act and deed of said corporation.



Barbara A. Unger
Notary Public

My commission expires:

STATE OF Indiana
COUNTY OF Lake

SS:

On this 20th day of Nov, 1995, before me personally appeared C. N. ALLEN, to me personally known, who, being by me duly sworn, says that he is General Manager of INDIANA HARBOR BELT RAILROAD COMPANY, and that the foregoing Memorandum of Lease was signed on behalf of said corporation by authority of its Board of Directors. Further, he acknowledged that the execution of the foregoing Memorandum of Lease was the free act and deed of said corporation.

Diane R. Pender
Notary Public

[Notarial Seal]

My commission expires:

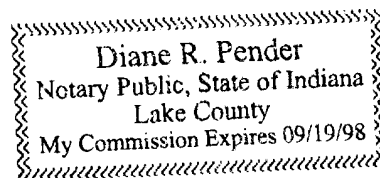
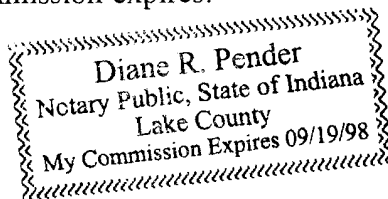


EXHIBIT A
TO
MEMORANDUM OF LEASE AGREEMENT

EQUIPMENT

Eighteen (18) 52'8", 70-ton, bulkhead flat cars built in 1977 and 1978.

AAR Mechanical Design: FB

Running marks and numbers

OLD

NEW

BCOL 18212	IHB 18212
BCOL 18228	IHB 18228
BCOL 18315	IHB 18315
BCOL 18337	IHB 18337
BCOL 18400	IHB 18400
BCOL 18451	IHB 18451
BCOL 18411	IHB 18411
BCOL 18423	IHB 18423
BCOL 18325	IHB 18325
BCOL 18381	IHB 18381
BCOL 18497	IHB 18497
BCOL 18509	IHB 18509
BCOL 18220	IHB 18220
BCOL 18373	IHB 18373
BCOL 18465	IHB 18465
BCOL 18316	IHB 18316
BCIT 818749	IHB 18749
BCOL 18335	IHB 18335